Reclamation Manual

Reclamation Acquisition Regulation System

401 DM Addition to FAR & DIAR

PART WBR 1443 -- CONTRACT MODIFICATIONS

WBR 1443

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SUBPART WBR 1443.1--GENERAL

WBR 1443.102 Policy.

- (a) Reclamation's ability to negotiate an equitable adjustment resulting from a change order decreases as the work required by the change is completed by the contractor. As a best business practice, change orders shall be forward priced and issued as supplemental agreements in accordance with FAR 43.102(b) unless the CO justifies in writing that such action would adversely affect the Government's interests. In such an instance, the justification shall be prepared before issuance of the change order, and shall --
 - (1) Identify the work required by the change, the estimated cost of the change, and the specific circumstance(s) which preclude negotiation of the equitable adjustment prior to commencement of work;
 - (2) Discuss the a maximum price limitation negotiated for the work and to be included in the change order or state the reasons why negotiation is impracticable and the measures taken to limit the Government's liability; and
 - (3) Discuss the schedule for definitization and the date the work is to expected to be completed to insure that the equitable adjustment is negotiated in the shortest practicable time as required by FAR 43.204(b).

WBR 1443.102-80 Requirements for competition.

Work outside of the general scope of the contract may be added to an existing contract provided that --

- (a) It is not added using the authority of the "Changes" clause; and
- (b) It is treated as new work and is justified and approved under FAR 6.302, DIAR Part 1406 and WBR Part 1406.

WBR 1443.107 Contract clause.

WBR 1443.107-80 Reclamation contract clause.

The CO shall insert the clause at WBR 1452.243-80, Modification Proposals -- Bureau of Reclamation, in all solicitations and contracts.

If limitations are to be placed on the contractor's indirect cost applied to work performed by subcontractors or suppliers, the CO shall use the clause with its Alternate I.

SUBPART WBR 1443.2--CHANGE ORDERS

WBR 1443.204 Administration.

- (a) Change order documentation. Before issuing a change order which is not forward priced, the justification required by WBR 1443.102 shall be prepared and signed by the CO.
- (b) *Definitization*. (1) After issuance of a unilateral change order, the CO shall, where possible, establish a suspense date for prompt definitization of the order after discussing with the contractor the due date for submission of the equitable adjustment proposal.
 - (2) If a proposal is not received by the due date, the CO shall contact the contractor to determine the cause for the delay. The due date may be extended by the CO based on the circumstances involved in preparing the proposal but in no event may this date be later than the date estimated for completion of the work.
 - (3) If a proposal is not received by the due date, or subsequent date extended by the CO, the CO may issue a unilateral equitable adjustment of the contract pursuant to the Disputes clause of this contract.
 - (4) In determining the amount of profit associated with the equitable adjustment, the CO shall consider the amount of work already performed by the date of the negotiation and any associated decrease in the contractor's cost risk.
- (c) Complete and final equitable adjustment. In lieu of the suggested language in FAR 43.204(c)(2), the following release shall be included in every supplemental agreement issued or the CO shall document the contract file as to the reason for its omission:

CONTRACTOR'S STATEMENT OF RELEASE.

unknown, including claims for delay and/or disruption, for any additional adjustments to the contract by reason of these changed requirements/conditions.

SUBPART WBR 1443.3 -- FORMS

WBR 1443.301 Use of forms.

(a) Purchase order modifications.

- (1) Standard form 30 (SF-30), Amendment of Solicitation/Modification of Contract, shall be used for purchase order modifications as prescribed in WBR 1413.503 and in accordance with the procedures in FAR 43.103.
 - (2) The instructions provided on the reverse

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side of the SF-30 as supplemented below shall be used for completion of the SF-30 when issuing modifications to purchase orders.

- (i) *Unilateral modifications*. CO's shall complete block 13A of the SF-30 citing an appropriate authority to reflect the issuance of an authorized unilateral modification.
- (ii) *Bilateral modifications*. CO's shall complete block 13C citing the appropriate authority for issuing a bilateral modification (supplemental agreement). If the purchase order does not have an appropriate clause which authorizes the modification, the CO may cite "By mutual agreement of the parties." When a SF-30 is used to bilaterally modify a FSS delivery order, the citation authority should be cited as "terms of GSA Contract No._____."
- (3) *Documentation*. Each modification shall be documented using the Interior Department Electronic Acquisition System (IDEAS) or by use of the Small Purchase Documentation Memorandum (illustrated at WBR 1453.303-7-2080) as prescribed in WBR 1413.106-2, until IDEAS is installed in the servicing office.

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